

Senate File 2352 - Introduced

SENATE FILE 2352

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 3219)

A BILL FOR

- 1 An Act relating to the additional homestead credit for
- 2 certain disabled veterans and including effective date and
- 3 applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 425.15, Code 2014, is amended to read as
2 follows:

3 **425.15 Disabled veteran tax credit.**

4 1. If the owner of a homestead allowed a credit under this
5 chapter is a any of the following, the credit allowed on the
6 homestead from the homestead credit fund shall be the entire
7 amount of the tax levied on the homestead:

8 a. A veteran of any of the military forces of the United
9 States, who acquired the homestead under 38 U.S.C. §21.801,
10 21.802, or 38 U.S.C. §2101, 2102,

11 b. A veteran as defined in section 35.1 with a
12 service-connected disability rating of one hundred percent, as
13 certified by the United States department of veterans affairs.

14 c. the credit allowed on the homestead from the homestead
15 credit fund shall be the entire amount of the tax levied on the
16 homestead A former member of the national guard of any state
17 who otherwise meets the service requirements of section 35.1,
18 subsection 2, paragraph "b", subparagraph (2) or (7), with a
19 service-connected disability rating of one hundred percent, as
20 certified by the United States department of veterans affairs.

21 d. An individual who is a surviving spouse or a child and
22 who is receiving dependency and indemnity compensation pursuant
23 to 38 U.S.C. §1301 et seq.

24 2. a. The For an owner described in subsection 1, paragraph
25 "a", "b", or "c", the credit allowed shall be continued to the
26 estate of a veteran an owner who is deceased or the surviving
27 spouse and any child, as defined in section 234.1, who are
28 the beneficiaries of a deceased veteran owner, so long as
29 the surviving spouse remains unmarried. This section is not
30 applicable to the holder of title to any homestead whose annual
31 income, together with that of the titleholder's spouse, if
32 any, for the last preceding twelve-month income tax accounting
33 period exceeds thirty-five thousand dollars. For the purpose
34 of this section "income" means taxable income for federal income
35 tax purposes plus income from securities of state and other

1 ~~political subdivisions exempt from federal income tax.~~

2 b. An individual described in subsection 1, paragraph "d",
3 is no longer eligible for the credit if the individual marries
4 or upon termination of dependency and indemnity compensation
5 under 38 U.S.C. §1301 et seq.

6 3. A ~~veteran~~ An owner or a beneficiary of a ~~veteran~~ an owner
7 who elects to secure the credit provided in this section is not
8 eligible for any other real property tax exemption provided by
9 law for veterans of military service.

10 4. If a ~~veteran~~ an owner acquires a different homestead,
11 the credit allowed under this section may be claimed on the
12 new homestead unless the ~~veteran~~ owner fails to meet the other
13 requirements of this section.

14 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
15 importance, takes effect upon enactment.

16 Sec. 3. APPLICABILITY. This Act applies to applications for
17 the disabled veteran tax credit filed on or after the effective
18 date of this Act.

19 EXPLANATION

20 The inclusion of this explanation does not constitute agreement with
21 the explanation's substance by the members of the general assembly.

22 The disabled veteran tax credit under Code section 425.15
23 provides a property tax credit on the homestead of an eligible
24 veteran who acquired the homestead under specified federal
25 programs in an amount equal to the entire amount of the tax
26 levied on the homestead. This bill modifies the qualifications
27 for the disabled veteran tax credit by adding the following
28 owners as being owners eligible for the credit: (1) a veteran
29 as defined in Code section 35.1 with a service-connected
30 disability rating of 100 percent as certified by the United
31 States department of veterans affairs; (2) a former member
32 of the national guard of any state who otherwise meets the
33 service requirements for Iowa national guard members under
34 Code section 35.1(2)(b), subparagraph (2) or (7), with a
35 service-connected disability rating of 100 percent as certified

1 by the United States department of veterans affairs; and (3)
2 an individual who is a surviving spouse or a child and who is
3 receiving dependency and indemnity compensation pursuant to 38
4 U.S.C. §1301 et seq. The bill also strikes the maximum income
5 limitation qualifications for the credit.

6 The bill takes effect upon enactment and applies to
7 applications for the disabled veteran tax credit filed on or
8 after the effective date of the bill.